

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-04069A
Oatman Water Company, L.L.C.
9184 N. 81st Street
Phoenix AZ 85258



RECEIVED

MAY 17 2006

**AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES**

ANNUAL REPORT

FOR YEAR ENDING

12	31	2003
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FOR COMMISSION USE

Ann04	03
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entered
5.17.06
RF

COMPANY INFORMATION

Company Name (Business Name) <u>OATMAN WATER CO. LLC</u>			
Mailing Address <u>9184 N 81ST STREET</u>			
<u>SCOTTSDALE</u> (City)	<u>AZ</u> (State)	<u>85258</u> (Zip)	
<u>602-690-0615</u>			
Telephone No. (Include Area Code)		Fax No. (Include Area Code)	
Pager/Cell No. (Include Area Code)			
Email Address <u>SCA6@COX.NET</u>			
Local Office Mailing Address <u>P.O. Box 414</u>			
<u>OATMAN</u> (City)	<u>AZ</u> (State)	<u>86433</u> (Zip)	
<u>928-768-9185</u>			
Local Office Telephone No. (Include Area Code)		Fax No. (Include Area Code)	
Pager/Cell No. (Include Area Code)			
Email Address _____			

MANAGEMENT INFORMATION

Management Contact: <u>STEVE ANDERSON</u>		<u>MANAGING MEMBER</u>	
(Name)		(Title)	
<u>9184 N. 81ST STREET,</u> (Street)	<u>SCOTTSDALE</u> (City)	<u>AZ</u> (State)	<u>85258</u> (Zip)
<u>602-690-0615</u>			
Telephone No. (Include Area Code)		Fax No. (Include Area Code)	
Pager/Cell No. (Include Area Code)			
Email Address <u>SCA6@COX.NET</u>			
On Site Manager: <u>SAME</u>			
(Name)			
(Street)			
(City)			
(State)			
(Zip)			
Telephone No. (Include Area Code)		Fax No. (Include Area Code)	
Pager/Cell No. (Include Area Code)			
Email Address _____			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: STEVE ANDERSON
 (Name)
9184 N. 81ST STREET SCOTTSDALE AZ 85258
 (Street) (City) (State) (Zip)
602-690-0615
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)
 Attorney: _____
 (Name)

 (Street) (City) (State) (Zip)

 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|-------------------------------------------------|---------------------------------------------------------------------------|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co op (A) |
| <input type="checkbox"/> Receivership (R) | <input checked="" type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|-----------------------------------|--------------------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input checked="" type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

OATMAN WATER COMPANY LLC

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	48,029	1,334	46,695
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment	35,000	12,500	22,500.
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	133,341	7,239	126,102
	TOTALS	216,370	21,073	195,297

This amount goes on the Balance Sheet Acct. No. 108



COMPANY NAME OATMAN WATER CO. LLC

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	48,029	2.78%	1,334
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment	35,000	28.57%	10,000
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	133,341	3.43%	4,572
	TOTALS			15,906

This amount goes on Comparative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME OATMAN WATER COMPANY LLC

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 70,856	\$ 7,389
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	6,678	10,276
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	500	500
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		3,210
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 77,764	\$ 21,375
	FIXED ASSETS		
101	Utility Plant in Service	\$ 168,341	\$ 216,370
103	Property Held for Future Use		
105	Construction Work in Progress	19,305	21,001
108	Accumulated Depreciation – Utility Plant	<5,167>	<21,073>
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 182,479	\$ 216,298
	TOTAL ASSETS	\$ 260,243	\$ 237,673

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME OATMAN WATER COMPANY LLC**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 23,235	\$ 10,166
232	Notes Payable (Current Portion)	3,410	4,706
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	600	740
236	Accrued Taxes	1,502	3,538
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	56,825	32,148
	TOTAL CURRENT LIABILITIES	\$ 85,572	\$ 51,298
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 103,160	\$ 126,361
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$ 188,732	\$ 177,659
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 100,000	\$ 100,000
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	<28,489>	<39,986>
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 71,511	\$ 60,014
	TOTAL LIABILITIES AND CAPITAL	\$ 260,243	\$ 237,673

COMPANY NAME OATMAN WATER COMPANY LLC

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

SEVEN MONTHS
ENDED 12/31/02 (*)

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 35,383	\$ 61,559
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$ 35,383	\$ 61,559
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$ 1,500
610	Purchased Water	20,069	12,833
615	Purchased Power	2,484	4,288
618	Chemicals		
620	Repairs and Maintenance	5,776	12,537
621	Office Supplies and Expense	4,352	1,289
630	Outside Services	19,960	8,219
635	Water Testing	200	1,632
641	Rents	4,200	7,200
650	Transportation Expenses		
657	Insurance - General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	162	50
403	Depreciation Expense	5,176	15,906
408	Taxes Other Than Income		271
408.11	Property Taxes	1,502	1,836
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 63,872	\$ 67,561
	OPERATING INCOME/(LOSS)	\$ <28,489>	\$ <6,002>
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		<5,495>
	TOTAL OTHER INCOME/(EXPENSE)	\$	\$ <5,495>
	NET INCOME/(LOSS)	\$ <28,489>	\$ <11,497>

(*) Acquisition effective 5/31/02

COMPANY NAME DATMAN WATER COMPANY LLC

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	11-24-02			
Source of Loan	WIFA			
ACC Decision No.	63626			
Reason for Loan	IMPROVEMENT CONSTRUCTION			
Dollar Amount Issued	\$ 163,500	\$	\$	\$
Amount Outstanding	\$ 131,067	\$	\$	\$
Date of Maturity	12/1/22			
Interest Rate	4.375%			
Current Year Interest	\$ 4,656	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 0 -

Meter Deposits Refunded During the Test Year

\$ 0 -

* PRINCIPAL ADVANCED \$29,241
 PRINCIPAL PAID DOWN \$4,744
 INCLUDING DEBT RESERVE

COMPANY NAME OATMAN WATER COMPANY LLC

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
532007	5	10-15	500	6	2"	1994

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
3	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
50,000.	1		
55,000	1		

COMPANY NAME OATMAN WATER COMPANY LLC

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2	PVC	4,000
3	PVC/IRON	4,000
4	PVC/IRON	2,400
5		
6		
8		
10		
12		
1"	PVC/IRON	4,200
1 1/2"	PVC	3,000

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 X 3/4	140
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

ULTRA VIOLET LIGHT WATER TREATMENT DEVICE

STRUCTURES:

NONE

OTHER:

COMPANY NAME: OATMAN WATER COMPANY LLC

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2003

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	124	289,390	
FEBRUARY	120	339,940	
MARCH	124	282,360	
APRIL	123	357,010	
MAY	122	320,610	
JUNE	130	451,900	
JULY	127	381,200	
AUGUST	133	321,250	
SEPTEMBER	129	401,580	
OCTOBER	134	369,490	
NOVEMBER	135	269,740	
DECEMBER	157	348,240	
TOTAL		N/A	

4,327,10

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes

(X) No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes

(X) No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. < .0030 mg/l

(If more than one well, please list each separately)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME OATMAN WATER COMPANY LLC YEAR ENDING 12/31/2003

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2003 was: \$ - 0 -

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. PROPERTY TAXES FOR 2003
WERE PAID IN 2005. RECEIPT AND CK COPY
ATTACHED

COMPANY NAME OATMAN WATER COMPANY LLC YEAR ENDING 12/31/2003

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported - 0 -
Estimated or Actual Federal Tax Liability - 0 -

State Taxable Income Reported - 0 -
Estimated or Actual State Tax Liability - 0 -

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances - 0 -

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

5-16-06
DATE

STEVE ANDERSON
PRINTED NAME

MANAGING MEMBER
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

MAY 17 2006

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF _____
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)
MOHAVE
NAME (OWNER OR OFFICIAL) TITLE
STEVE ANDERSON, manager/owner
COMPANY NAME
OATMAN WATER CO. LLC

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 61,557

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 3,402
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

State of Arizona
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 17th DAY OF

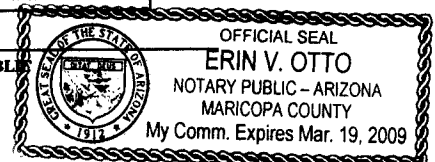
(SEAL)

MY COMMISSION EXPIRES Mar. 19, 2009

Steve Anderson
SIGNATURE OF OWNER OR OFFICIAL
602-690-0615
TELEPHONE NUMBER

COUNTY NAME
maricopa
MONTH
May 2006

Erin V. Otto
SIGNATURE OF NOTARY PUBLIC



VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

RECEIVED

MAY 17 2006

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <u>MOHAVE</u>	
NAME (OWNER OR OFFICIAL) <u>STEVE ANDERSON</u>	TITLE <u>OWNER / MANAGING MEMBER</u>
COMPANY NAME <u>OATMAN WATER CO. LLC</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2003 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 49,648

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 2,744
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

Steve Anderson

2744

SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

State of Arizona

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

17th

DAY OF

NOTARY PUBLIC NAME <u>Erin V. Otto</u>	
COUNTY NAME <u>maricopa</u>	
MONTH <u>may</u>	. 20 <u>06</u>



X Erin V. Otto

SIGNATURE OF NOTARY PUBLIC

MOHAVE COUNTY TREASURER Tax Receipt

Phone: (928) 753-0737

Pg: 1

BATCH: 5605067

NREC

Payment Date: 8/26/2005

Interest Date: 8/26/2005

Printed by: TROTTO

Paid by: OATMAN WATER CO CC#954408769
STEVE ANDERSON/PRESIDENT

P.O. BOX 414
OATMAN, AZ 86433

MOHAVE COUNTY
P-A-I-D

AUG 26 2005

TREASURER *J*

	Description	Amount	Balance Due --- If paid by
900-61-670	2002 TAXES	1,501.70	
	2002 INT/FEE	838.29	
	TOTL	2,339.99 *	
900-61-670	2003 TAXES	1,835.96	
	2003 INT/FEE	655.57	
	TOTL	2,491.53 *	2,573.37 BY 08/31/2005
			2,604.75 BY 09/30/2005
			2,636.13 BY 10/31/2005
	TOTAL PAID	4,831.52	

The balance due might contain amounts from previous del
TOTAL VALUE OF OPERATING PROPERTY



FOR YOUR PROTECTION SAVE THIS COPY
OFFICIAL CHECK

Customer Copy

954408769

08/26/2005

Arizona

Remitter OATMAN WATER COMPANY

\$ *****4,831.52 ***

Pay To The
Order Of

MOHAVE COUNTY TREASURER

Drawer: JPMORGAN CHASE BANK, N.A.

NON NEGOTIABLE

TERMS

KEEP THIS COPY FOR YOUR RECORD OF THE TRANSACTION. TO REPORT A LOSS OR FOR ANY OTHER INFORMATION ABOUT THE INSTRUMENT, CONTACT THE INSTITUTION FROM WHICH YOU RECEIVED THE INSTRUMENT.